

Letter to Congressional Leaders Reporting on Sanctions Under the Foreign  
Narcotics Kingpin Designation Act  
July 1, 2003

Dear Mr. Chairman:

I hereby report, pursuant to section 804(d) of the Foreign Narcotics Kingpin Designation Act, 21 U.S.C. 1903(d) (the "Kingpin Act"), on the status of sanctions imposed upon significant foreign narcotics traffickers designated this year.

On May 29, 2003, I designated the following seven foreign persons and entities as appropriate for sanctions, and subsequently imposed sanctions against them, under the Kingpin Act:

Juan Jose Esparragoza Moreno  
Jose Albino Quintero Meraz  
Hector Luis Palma Salazar  
United Wa State Army  
Leonardo Dias Mendonca  
Revolutionary Armed Forces of Colombia  
(Fuerzas Armadas Revolucionarias de Colombia, "FARC")  
United Self-Defense Forces of Colombia  
(Autodefensas Unidas de Colombia, "AUC")

Attached is individual background information on each of the above foreign persons and entities. Each individual and entity is now subject to all of the sanctions authorized under the Kingpin Act. As a result, United States persons are prohibited from engaging in financial transactions and conducting business with these individuals. In addition, any assets within the United States or within the possession or control of United States persons that are owned or controlled by significant foreign narcotics traffickers are blocked. Finally, significant foreign narcotics traffickers and immediate family members who have knowingly benefited from their illicit activity will be denied visas for entry into the United States. While all of the sanctions are currently in effect, to date I have not been notified of any specific enforcement action taken since the date of their imposition.

The Department of the Treasury, in consultation with the Departments of Justice, Defense, and State, the Central Intelligence Agency, the Federal Bureau of Investigation, and the Drug Enforcement Administration, continues to work toward identifying derivative designations for these newly designated individuals pursuant to the powers granted under section 805(b) of the Kingpin Act, 21 U.S.C. 1904(b).

In addition to the foregoing actions, the Department of the Treasury, in consultation with the Departments of Justice, Defense, and State, the Central Intelligence Agency, the Federal Bureau of Investigation, and the Drug Enforcement Administration, continues to research potential foreign persons for future recommendations for designation as kingpins.

Enclosed is a classified table reflecting expenses incurred and projected for fiscal year 2003. Other than certain intelligence expenses reflected in the enclosed table, total reportable expenses incurred by Federal agencies in fiscal year 2002 are approximately \$1,022,115. These expenses are those directly attributable to the imposition of the Kingpin Act sanctions. The personnel costs portion, \$591,562, is centered principally in the Department of the Treasury. The remaining \$430,553 of the \$1,022,115 total was for resource expenditures.

Sincerely,

GEORGE W. BUSH

NOTE: Identical letters were sent to Porter J. Goss, chairman, House Permanent Select Committee on Intelligence, and Pat Roberts, chairman, Senate Select Committee on Intelligence. This letter was released by the Office of the Press Secretary on July 2.